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October 1, 2003

The Honorable William D. Quarles
United States District Court
for the District of Maryland
Garmatz Federal Courthouse
101 W. Lombard Street, Chambers 3A
Baltimore, Maryland 21201

Re: *The Sherwin-Williams Co. v. ARTRA Group, Inc.*
Civil Action No. S-91-2744
Status Report

Dear Judge Quarles:

You have requested us to provide you with a periodic status report on the bankruptcy proceedings for ARTRA in the U.S. District Court for the Northern District of Illinois (Chicago). I have been advised by Sherwin-Williams' bankruptcy counsel that a Plan of Reorganization and Disclosure Statement was filed by ARTRA on January 31, 2003. A plan has been submitted for approval. ARTRA is negotiating with Sherwin-Williams and other debtors currently to see if they can agree upon its acceptance. We hope a plan can be agreed upon and implemented soon. If that occurs, this matter will be requested to be dismissed.

In the meantime, as a result of ARTRA's bankruptcy filing, the case before the U.S. District Court of Maryland, referenced above, has been automatically stayed.

We will provide another status report in 90 days unless otherwise requested.

Respectfully submitted,

Randall M. Lutz

RML/tlc

cc: Special Master Robert V. Percival
 Allen J. Danzig, Esquire
 Robert E. Scott, Jr., Esquire
 Richard S. Lauter, Esquire (*bankruptcy counsel to Sherwin-Williams*)
 Thomas P. Yardley, Esquire (*bankruptcy counsel to ARTRA*)
 James Chatz, Esquire (*bankruptcy counsel to ARTRA*)

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